21 August 1962

MEMORANDUM FOR THE RECORD

SUBJECT: System Requirements for RCA Type 301

Mr. Jack Walsh, RCA Representative; Mr. Howard Moss, RCA Technical Representative; and Messrs. met on 20 August to review CIA system requirements. The following discussions took place:

- 1. Simultaneous Mode Control #392
 This is a device to permit overlap of input/output operations, or compute with overlap of one of these operations. The operations people did not feel that this device was required.
- 2. 581 Adapter, #393-2
 This is an additional adapter which would make it possible to use two of the type 581 Tape Drives at the same time in the 301 system. It was not felt that this was a requirement.
- 3. Card Processing Capabilities
 The capability of the 301 to handle certain EAM operations was discussed and it appeared that the Locator File and Insurance Payments Job could be absorbed by the 301. The Unvouchered Payroll is currently being developed for the 501 as well as the Employee Qualifications file. The result of these plans may be to reduce the EAM to one basic set of machines with a type 408 Bill Feed as a printing device.
- 4. Present Printing, Card Reading and Card Punching Workloads
 The machine usage reports disclose the following:

<u> 1961</u>	Printing	Card Reading	Card Punching	Total
Aug	5 1 .	21	24	96
Sept	78	5	19	102
Oct	131	15	45	191
Nov	100	12	31	143
Dec	131	9	20	160
Jan 62	133	10	25	168
Feb	91	23	20	134
Mar	92	13	20	125
\mathtt{Apr}	106	16	26	148
May	149	15	31	195
June	116	16	. 22	154
July	135	21	_33_	<u> 189</u>
	<u>1313 </u>	176	316	1805

Approved For Release 2000 1010 NOTATION 100573R000500170026-4

It was concluded that the minimum 301 configuration (\$3993 for 200 hours) could handle the expected workloads. This included an allowance for peripheral operations involved in the applications mentioned in item 3, above. The largest volume of peripheral operation is in printing, and the proposed type 333 is rated at 1000 lines per minute compared with 600 lines per minute on present equipment.

5. 323 Card Reader/334 Card Punch Vs 1402 Card Reader Punch

The cost comparison is approximately as follows:

323 Card Reader 334 Card Punch 314-1 Card Reader Cont. 315-1 Card Punch Cont. Total	\$361 206 134 283 \$984	-		
1402 Card Reader/Punch 369-1 Card Reader	\$560	(3	pt	Clutch)
Punch Control	597			

The difference is \$173 (a slight technicality needs to be resolved because of IBM's 176 hour contract on the 1402 and RCA's 200 hour contract on the Card Reader Punch Control).

The speeds:

RCA		1402	
Read	600/min.	Read	800/min.
Punch	100/min.	Punch	250/min.

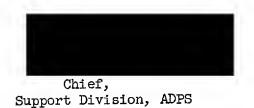
The reliability:

RCA assures us that the mechanical difficulties with previous peripheral equipment have been corrected—They do not seem to want to promote the use of the 1402 at this time because the speeds of the RCA gear will meet our requirements, there are some delivery time and test problems with the 1402, it is competitive equipment. We would be pioneering if we asked for a 1402 since there are only two in current operation, both in a more-or-less laboratory situation within RCA.

6. System Requirements
These requirements have been defined as replacement of presently

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unsatisfactory peripheral equipment and some slight switching of EAM to EDP. RCA representatives felt that they had necessary information to present their recommendations.



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cc: ADPD

15 August 1962

Mr. D. E. Van Gieson International Business Machines Corporation Federal Systems Division 1111 Connecticut Avenue N. W. Washington 6, D. C.

Dear Mr. Van Giesen:

I have your letter of 26 July 1962 in which you advised the Agency of an increase in rental cost for the Type 1922 Medel 4, Tape Adapter, presently on order for one of our IBM 1401 installations.

The increase in rental from \$925 to \$1,810 per month represents upward changes in cost of 95% for the unit and 15% for the total configuration.

I am disappointed to learn of this price change because, in large measure, our original decision to acquire an IRM 1401 configuration was based on economic considerations. At that time we weighed all of the proposals submitted by competitive equipment manufacturers and understood the facts and figures furnished by IRM to be firm. There was not a hint in your previous correspondence of an implied possibility of price change affecting the Tape Unit Adapter.

Despite the fact that CIA has already expended a considerable amount of planning and program effort to accommodate the RCA 501/IRM 1401 interface, the

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D. E. Van Giesca

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15 August 1962

cost change reflected in your letter is significant enough to cause us to reconsider our action. Before doing so, however, I feel compelled to request that you review your cost estimates to ascertain if the price change quoted in your letter is absolutely final.

Within a few days of receipt of this information, we will complete the evaluation which you suggested in your letter. We are sure it will be metually advantageous to make this decision prior to installation of the XMM 1461 so that cancellation, if necessary, can be made without obligation to the Government.

very truly yours.

STATINTL

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(15 Aug 62)

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Federal Systems Division
1111 Connecticut Avenue, N.W.
Washington 6, D. C.

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Constitution

July 26, 1962

STATINTL

2430 E Street, N. W. Washington 25, D. C.

 $International \ Business \ Machines \ Corporation$

STATINTL

This will advise you that the montly rental charge for the type 1922 Model 4, which will be specially engineered to allow you to connect your RCA 581 magnetic tape drive to an IBM 1401, will be raised to \$1,810 per month, effective July 1, 1963. Effective July 1, 1962, the purchase price is \$64,000.

The current price for this special tape unit adapter was based on preliminary engineering and production estimates. Experience has shown that these early estimates were significantly low and warrant adjustment.

We apologize for the possible hardship which may result to your organization due to such a significant price increase. We are extending our normal 90-day notice to approximately 12 months in order to give you an extended period of time to evaluate the effects of this change on your data processing applications.

Very truly yours,

D. E. Van Gieson

DEV/pf